

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 14 – HB 174**

March 10, 2017

**SUMMARY OF BILL:** Defines “educator” for the purpose of enumerating a list of proposed workplace protections and rights afforded to educators, including but not limited to, the right to act in a manner consistent with the educator’s own conscience as long as the educator does not attempt to proselytize students in the classroom; disrupt the educational process; or act as a potential threat to student safety. Prohibits educators from being evaluated under the provisions of Tenn. Code Ann. § 49-1-302 by professionals who do not have the same subject matter expertise or from being evaluated based on the performance of students whom the educator has not taught. Prohibits teachers from being relocated to a different school solely on the basis of student test scores from state assessments and from being required to spend personal money to appropriately equip a classroom.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$374,400/FY17-18**

**Exceeds \$242,800/FY18-19 and Subsequent Years**

**Increase Local Expenditures – Exceeds \$220,400/FY17-18 and Subsequent Years**

*Assumptions Relative to State Impact:*

- Under current practice, teachers may be evaluated by professionals with a different subject matter expertise.
- Upon passage of the bill, LEAs will cross-reference the subject matter expertise of each evaluator with the subject matter expertise of the teachers being evaluated. Until this cross-referencing occurs, the precise number of evaluators and new state-contracted trainers that will be necessary as a result of this legislation is unknown. Therefore, estimating the precise number of new evaluators that will be trained and recertified annually as a direct result of this legislation is difficult.
- Based on information from DOE, a majority of current evaluators have an administrative endorsement; therefore it is assumed that a majority of current evaluators are administrators at a school or at the system-level and that many additional evaluators will be classroom teachers.
- The cost to train one new evaluator is estimated to be \$260 per person.

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- Based on subject matter expertise of public school evaluators provided by the DOE, there will be at least 1,100 new evaluators which will require training in FY17-18 as a result of this legislation.
- The increase in state expenditures for training in FY17-18 is estimated to be \$286,000 (1,100 evaluators x \$260 cost).
- In FY18-19, each previously-certified trainer that continues on as an evaluator will need to be recertified at an estimated cost of \$130 and any new evaluators will need to be trained.
- It is estimated that 88 new evaluators will be trained and approximately 92 percent of evaluators from FY17-18 will be recertified for FY18-19. This is based on a 2014 report from the DOE listing a statewide retention rate of 92 percent.
- Population growth, in conjunction with the provisions of the bill, will likely drive an increase in total number of specialized evaluators in the future.
- The recurring increase in state expenditures for training and recertification is estimated to exceed \$154,440 [(88 evaluators x \$260) + (1,100 first-year evaluators x 92.0% x \$130)] in FY18-19 and subsequent years.
- Beginning in FY17-18, the DOE will require one additional Education Consultant 2 position to train, track, and provide support for all additional evaluators across the state; a recurring increase in state expenditures estimated to be \$88,351 (\$67,008 salary + \$18,043 benefits, + \$3,300 overhead).
- The total increase in state expenditures in FY17-18 is estimated to be \$374,351 (\$286,000 + \$88,351)
- The total recurring increase in state expenditures is estimated to exceed \$242,791 (\$154,440 + \$88,351).
- The state will not increase expenditures to grant more classroom supply funding to teachers.

*Assumptions Relative to Local Impact:*

- Enumerating teacher's rights relative to classroom activities and materials will have no fiscal impact on local government.
- LEAs will not significantly increase expenditures to grant more classroom supply funding to teachers.
- If there are not enough new evaluators within an LEA to perform the required evaluations pursuant to the bill's requirements, LEAs will either contract for this service with an outside entity or contract with teachers or administrators from a different LEA to perform the necessary evaluations.
- LEAs are responsible for travel expense for teacher evaluators traveling to and from training. The increase in LEA expenditures for additional travel cannot be reasonably quantified, but if at least 75 percent of new evaluators travel outside of their home LEA to attend a regional training session, the increase in local expenditures is estimated to exceed \$38,775 (1,100 evaluators x 75.0% x 100 roundtrip miles x an estimated \$0.47 per mile).

- Classroom teachers who also perform peer evaluations require a substitute teacher on days when the regular classroom teacher is out of the classroom performing an evaluation.
- Based on a sample average of 11 LEAs, it is estimated that the average daily rate for a substitute teacher is \$78. If at least 50 percent of the new evaluators are classroom teachers and each new evaluator performs a minimum of four evaluations annually; the increase in local expenditures for substitute teachers is estimated to be \$171,600 (1,100 evaluators x 50.0% x \$78 x 4).
- Some evaluators may be required to travel outside of their home LEA school or outside of their LEA's jurisdiction to provide additional evaluations. These evaluators, who may be outside contractors, will be paid an additional flat-rate stipend for each evaluation or may be paid on a contracted hourly basis. Any increase in local expenditures for these additional payments are dependent upon multiple unknown factors including but not limited to, the number of evaluators within each district that will be available to perform additional evaluations and the amount of the additional payments that will be made by each LEA; however these recurring payments are reasonably estimated to exceed \$10,000 per year statewide.
- The total recurring increase in local expenditures in FY17-18 and subsequent years is estimated to exceed \$220,375 (\$38,775 + \$171,600 + \$10,000).

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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